

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 132615
ORIGIN EB-08

INFO OCT-01 EA-10 ISO-00 CAB-02 CIAE-00 COME-00
DODE-00 DOTE-00 INR-10 NSAE-00 FAA-00 L-03 SS-15
NSC-05 /054 R

DRAFTED BY EB/OA/AVP:GGGRIFFITHS:JH
APPROVED BY EB/OA:MHSTYLES
EB/OA/AVP:AJWHITE
EA/ANP:TWAJDA
CAB:HASWALL

-----106951 242342Z /14

P 242159Z MAY 78
FM SECSTATE WASHDC
TO AMEMBASSY CANBERRA PRIORITY
INFO AMEMBASSY WELLINGTON PRIORITY

LIMITED OFFICIAL USE STATE 132615

E.O. 11652:N/A

TAGS: EAIR, EA

SUBJECT:CIVAIR: PAN AM MELBOURNE-AUCKLAND FARE

REF: A. CANBERRA 3684, B. STATE 117800

1. DEPARTMENT NOTES GOA ARGUMENT OUTLINED REFTEL THAT
GOA-GONZ BILATERAL PROHIBITS PAN AM FROM CHARGING DIRECT
MELBOURNE-AUCKLAND FARE FOR PASSENGERS TRAVELING VIA
SYDNEY EVEN IF PASSENGER DOES NOT STOP OVER IN SYDNEY.

2. WE FIND SUCH A RATIONALE UNACCEPTABLE, SINCE ITS
RESULT, WHETHER INADVERTANT OR NOT, IS TO DENY PAN AM THE
RIGHT TO COMPETE EFFECTIVELY ON A ROUTE SEGMENT AWARDED
IT UNDER OUR BILATERAL AGREEMENT. AS EXPLAINED REF B,
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 132615

PAN AM'S PROPOSAL TO CHARGE THE DIRECT FARE FALLS WITHIN
THE GENERALLY ACCEPTED GUIDELINES FOR CIRCUITOUS TRAVEL.
ACCORDINGLY, ITS ABILITY TO CHARGE AND SUSTAIN THE DIRECT
FARE SHOULD BE A FUNCTION OF AIRLINE ECONOMICS. THE
RIGHT TO HAVE THE OPPORTUNITY TO MATCH COMPETITION
SHOULD NOT BE RESTRAINED BY GOVERNMENT FIAT. WHAT WE ARE
TALKING ABOUT HERE IS A MATTER OF BASIC PRINCIPLE, THE

GOA-GONZ BILATERAL NOTWITHSTANDING. GOA CANNOT TAKE AWAY
IN ONE BILATERAL WHAT IT HAS GRANTED IN ANOTHER. NOR CAN
WE ACCEPT THAT SITUATION IS NOT DISCRIMINATORY; IT IS
DISCRIMINATORY BECAUSE PASSENGERS FLYING PAN AM BETWEEN
MELBOURNE AND AUCKLAND VIA SYDNEY (BUT WITHOUT BENEFIT OF
A STOPOVER AT SYDNEY) PAY A HIGHER FARE THAN THOSE FLYING
NONSTOP ON QANTAS AND AIR NEW ZEALAND. THIS IS DUE TO THE
FACT THAT SUM OF SECTIONAL FARES IS 237.20 FCU, WHILE
DIRECT FARE IS ONLY 194 FCU, OR 16 LESS.

3. WHILE DEPARTMENT DOES NOT WISH TO ESCALATE THIS ISSUE,
IT BELIEVES EMBASSY SHOULD CONTINUE TO PRESS AUSTRALIANS
ON IT. CHRISTOPHER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NEGOTIATIONS, AIR FARES, AIR ROUTES
Control Number: n/a
Copy: SINGLE
Draft Date: 24 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE132615
Document Source: CORE
Document Unique ID: 00
Drafter: GGGRIFFITHS:JH
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780219-1096
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780522/aaaaasob.tel
Line Count: 75
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 750a4597-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 CANBERRA 3684, 78 STATE 117800
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2581935
Secure: OPEN
Status: NATIVE
Subject: CIVAIR: PAN AM MELBOURNE-AUCKLAND FARE
TAGS: EAIR, AS, PANAM
To: CANBERRA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/750a4597-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014